
COINS

of the Ancient
Mediterranean World



On display at the Federal Reserve Bank of Philadelphia

About the cover: The eagle, reminiscent of the American symbol, is from the tetradrachma of Ptolomy I of Egypt, one of Alexander the Great's generals. The head shown is that of Hercules, from the tetradrachma of Alexander the Great, though some have suggested it may be a portrait of Alexander himself.

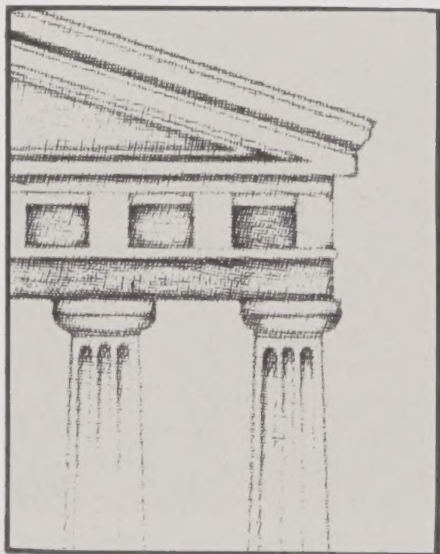
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COINS

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The coins we use as money today have a history that goes back 2,700 years. Ancient peoples used metals, especially gold and silver, to mint coins. Rulers soon learned to standardize their coins and define them in terms of fixed quantities of gold and silver, thus establishing a rate of exchange between the two metals.

The usefulness of early forms of money was often restricted by its inconvenient size, limited geographic acceptance and unpredictable fluctuations in the supply and demand for metals. In ancient times, the greatest stimulus to trade came when rulers such as Alexander the Great and the Roman emperor Augustus established uniform coinage systems that were widely recognized and accepted.



Today, most currency is paper money, and coins are passed as small change. Still, coins have many of the same features that they had in ancient times. For example, modern coins have a government-approved design and value stamped on them, like the earliest coins did. Many nations still follow the Greek and Roman custom of recognizing famous people by placing their portraits on coins. Even the eagle, which appears on the back of the U.S. quarter, can trace its use as a symbol back to the coins of the ancient Mediterranean.

Most historians think the city-states of Greece and kingdoms of Asia Minor invented the first coins in the 7th century B.C. The Kingdom of Lydia, in present-day Turkey, stamped lumps of precious metals with an official seal to guarantee their weight and purity. Lydian metal, stamped with King Croesus' seal, became something everyone accepted. Public confidence in the king's money gave trade a great boost.



Lydian stater

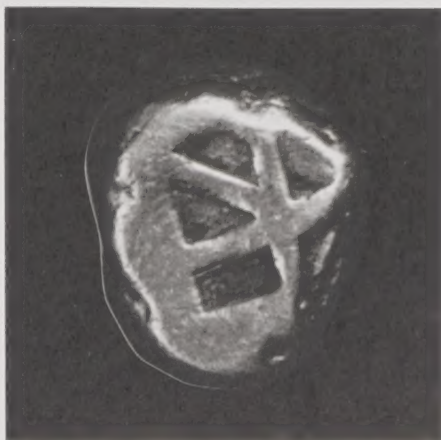
These Lydian coins, called STATERS, were first made of electrum, an alloy of gold and silver.

About the size of a finger nail, these first coins were valuable. But, the mix of gold and silver was unpredictable, making some electrum staters worth more than others. Eventually, the Lydians stabilized the stater by minting two versions, one gold and one silver. This change produced the world's first bimetallic standard.

The front of Croesus' coin is stamped with a growling lion's head facing the head of a horned bull. In ancient Mediterranean cultures, the bull was a symbol of strength and heroism. The lion may have been Croesus' tribute to an ancient symbol of a maternal divinity.

The Greeks Catch On...

By 630 B.C., the Greek city-state of Aegina was stamping coins. Like the Lydian stater, the Aeginetan STATER carried the image of an animal, but instead of the lion and bull, Aegina used the sea turtle. The choice of the turtle may have been based on Greek myth or on the obvious fact that turtles abounded in the sea surrounding Aegina, and still do today. The back of the silver turtle stater had a simple design, making it one of the first coins to have a design on both sides.



Aeginetan stater, front and back

The Athenian Tetradrachma...

In the early 6th century B.C., Athens began making silver coins in small denominations that were convenient in everyday trade. One of the best known coins of this period is the Athenian TETRADRACHMA. "Drachma" meant "handful" and came from the Greek practice of using small copper and iron spits, measured by the handful, as money. A tetradrachma was worth "four handfuls." These Athenian coins were also among the first coins in the region to have a design on both sides. The designs usually represented important religious, political or commercial matters.



Athenian tetradrachma, front and back

The front of the tetradrachma shows the goddess Athena, for whom Athens was named. Greek mythology said Athena gave the city its chief source of wealth, the olive tree, and Athenians remembered that when they designed their coins. The image of the goddess of wisdom and strength appears on the front, the first prominent representation of the human form on a coin. On the back, branches of the olive tree hang above the wing of the owl, Athena's symbol.

The Athenian tetradrachma was the first coin to become “international” money. It was used widely in trade among the Greeks and other peoples of the region.

Athenians Commemorate Victory at Marathon...

The Athenians were one of the first to commemorate a military victory on their coins. Following victory over the Persians at Marathon in 490 B.C., the Athenians modified their tetradrachma to include a crescent moon between the owl and olive branches. The moon reminded Athenians that Darius, king of Persia, withdrew his forces under a waning moon.

The “Ponies” of Corinth Gallop into Coinage History...

Although the Athenian tetradrachma was the region's first international money, it was inconvenient for everyday use because it could not be exchanged for fractional coins. The city-state of Corinth was the first to issue coins in denominations and was also one of the earliest to have designs on both sides. The winged horse Pegasus was on all Corinthian coins, which is why they were called “ponies.”



Corinthian “pony”



The New Coin Economy...

By the mid-6th century B.C., the economies of the Greek city-states had become quite sophisticated. Lydia, Aegina, Athens, Corinth and others were all making coins and improving them. Designs became more refined, their implicit guarantees made them acceptable in a widening geographical area, and the issuance of different denominations made them more useful.

Croesus had introduced bimetallism and his small silver coins were commonplace in markets throughout Asia Minor. Cyrus the Great, the Persian conqueror of Lydia, minted coins based on the Lydian example and spread them throughout his empire.

By the time of the Persian wars, coins had become the most common form of money in the Mediterranean world. In the 5th century B.C., silver Greek coins were the principal medium of exchange used by trading states, occasionally supplemented by Persian gold. In the 4th century B.C., Corinthian silver "ponies" were as widely accepted as the Athenian tetradrachma. Once bronze coins were introduced, they quickly became

the preferred money for small denominations and everyday trade.

The result was a thriving world of trade in the Mediterranean. But it was still a small world, and there were still limits to both the geographic acceptance and commercial utility of coins. Trade was also disrupted by political disorders and wars.

But a new order was coming.

The Macedonian Empire...

In the mid-4th century B.C., the Greek city-states were brought under the rule of Macedonia, whose influence eventually spread to the rest of the Mediterranean world. The tetradrachmas and staters of two Macedonian kings — Philip II and his famous son, Alexander III (the Great) — became the top international money of its time. The coins of Philip and Alexander were so popular that they were copied and counterfeited for centuries.

Philip worked to stabilize his Macedonian coinage system at a ratio of ten-to-one for gold and silver, a standard that set the exchange rate



Alexander the Great's tetradrachma, front and back

between gold and silver for many years.

Alexander the Great was a military genius and more. He also standardized the money system for Macedonia and most of the countries from the Indus River to Naples. The stimulus to trade was extraordinary.

Alexander kept the gold coins of his father but issued many more of them with the backing of captured Persian metal. He redesigned them, however, to reflect his unique preferences. The front of Alexander's silver tetradrachma bears the head of the young Hercules (some suggest it is a portrait of Alexander), while the back bears the image of Zeus holding a scepter and an eagle. The scepter has long been a symbol of the ruler, while the early Greeks believed that the soul of a dead king took the form of an eagle to watch over his kingdom. Others regard the eagle as Zeus in animal form.

Images of Mortal Men Placed on Coins...

What Will the Gods Think?

After Alexander the Great's death in 323 B.C., his generals divided



Lysimachus' tetradrachma, front and back

his empire among themselves. Despite the break up of Macedonian Empire, Alexander's currency was still the standard everywhere, except in Egypt, where Phoenician coinage was the standard.

Lysimachus, the general who took Thrace (in modern-day Turkey and Greece) risked the wrath of the gods by being the first to authorize coins bearing the image of a mortal — Alexander the Great. His head, adorned with a ram's horn, the symbol of his strength, appears on the front, while the back carries the goddess Athena. She is seated and in her right hand is a tiny image of Nike, the winged goddess of victory.

Ptolemy of Egypt, another former general, also broke with tradition and became the first to mint coins with the image of a living mortal, himself. Assured of his power, he adopted the title king and placed his portrait on the front of his silver tetradrachmas. The eagle on the back is a symbol of his leadership.

The Roman Republic...

The first metallic money of the



Ptolemy's tetradrachma, front and back

Romans was the AS, a copper rod one Roman foot long and 1/2 inch in diameter. By custom, one hundred copper rods were valued at one cow. Eventually, the AS evolved into the shape of a coin and it bore simple designs, such as the head of a Roman god on the front and the prow of a ship on the reverse, a symbol of Rome's reliance on maritime power.

About the time of Alexander's death, Rome began making silver coins. The as was reduced in size and value to a convenient half ounce. By the end of the 3rd century B.C., the Romans issued the silver DENARIUS, which became their principal coin.

Similar in both size and value to the Greek drachma, the silver denarius accompanied the Roman legions as they conquered the Italian peninsula and invaded Spain and Gaul. Though Alexander and his successors had tolerated the continuing existence of many local coins, the Romans melted down those symbols of competing power and turned them into Roman coins.

In the 1st century B.C., Rome accumulated a large gold reserve



Two examples of Roman denarii

and Julius Caesar authorized minting of the gold AUREUS, which became the principal monetary standard for the Roman Empire from Augustus to Constantine. Initially, the weight of the aureus was established at 40 to the pound.

Caesar Augustus Brings in the Roman Empire...

The story of Roman coinage at its height begins with one of the greatest leaders of antiquity. His name was Gaius Octavius, but he is better known as Augustus, the name given him by the Roman Senate in 27 B.C. He ruled from 31 B.C. to 14 A.D.

Under Augustus, the aureus became popular as far away as India and was supported everywhere by the prestige of Roman armies. He took the authority to mint the denarius away from the Senate and stabilized its exchange rate with the aureus at 25-to-1. In Augustus' time, the denarius was apparently the usual pay for a day's labor, probably a twelve-hour day.

The Augustan coinage system also included other lesser denominations. The smaller denominations



Augustan aureus, front and back



Roman coin stamped with "SC"

were minted under the authority of the Roman Senate and stamped with the letters SC (*Senatus Consulto*) which assured the public of the coin's quality. This official authorization also gave value to these coins — the metal itself was virtually worthless. The seal of the Roman senate is similar to the official message on our dollar bill: THIS NOTE IS LEGAL TENDER FOR ALL DEBTS PUBLIC AND PRIVATE.

Coins Used as a Political Tool, an Idea Uniquely Roman...

The aristocratic head of Augustus dominates his entire coinage, while the reverse depicted important events. Roman portrait coins acquainted the people with a ruler's image and showed who was in power at a given moment. These coins also served as mini-news-papers, carrying information about wars, architectural triumphs and other achievements to the far corners of the Empire.

The "cistophoric" tetradrachma of Augustus illustrates how Roman coins were used to sway public opinion. Struck around 28 B.C. this coin bears the figure of Pax,

the Roman goddess of peace, and the caduceus she holds is a symbol of free commerce and the modern symbol of medicine. Next to the goddess is a Middle Eastern symbol, the *cista mystica* (magic box). Roman coins frequently carried symbols with special significance to a region to promote their acceptance among the local people. The cistophoric tetradrachma championed Augustus' role as the leader who freed Asia Minor from the yoke of arbitrary government.

Jewish Coins...

Roman rulers departed from their usual practice when they permitted the Jewish high priest in Jerusalem to mint small bronze coins, apparently for local circulation only.

However, the most famous Jewish coin, the silver SHEKEL, was made during the Jews' first revolt against Roman rule. The coins, which were used for Temple dues, bear inscriptions such as "Jerusalem the Holy" and "Shekel of Israel."

From their earliest appearance to the present day, Jewish coins have carried images of inanimate objects of religious significance. In design,



Augustus' cistophoric tetradrachma, front and back



Jews have adhered strictly to the Commandment that "Thou shalt not make unto thee any graven images."

The Collapse of the Roman Coinage System...

The Augustan coinage system restored price stability and stimulated trade in the Mediterranean. However, neither Augustus nor his successors could provide enough acceptable gold and silver coins to the farthest parts of the Empire. Deflationary troubles began. That was followed by excessive spending by several emperors and catastrophic inflation that helped undermine Roman coinage.



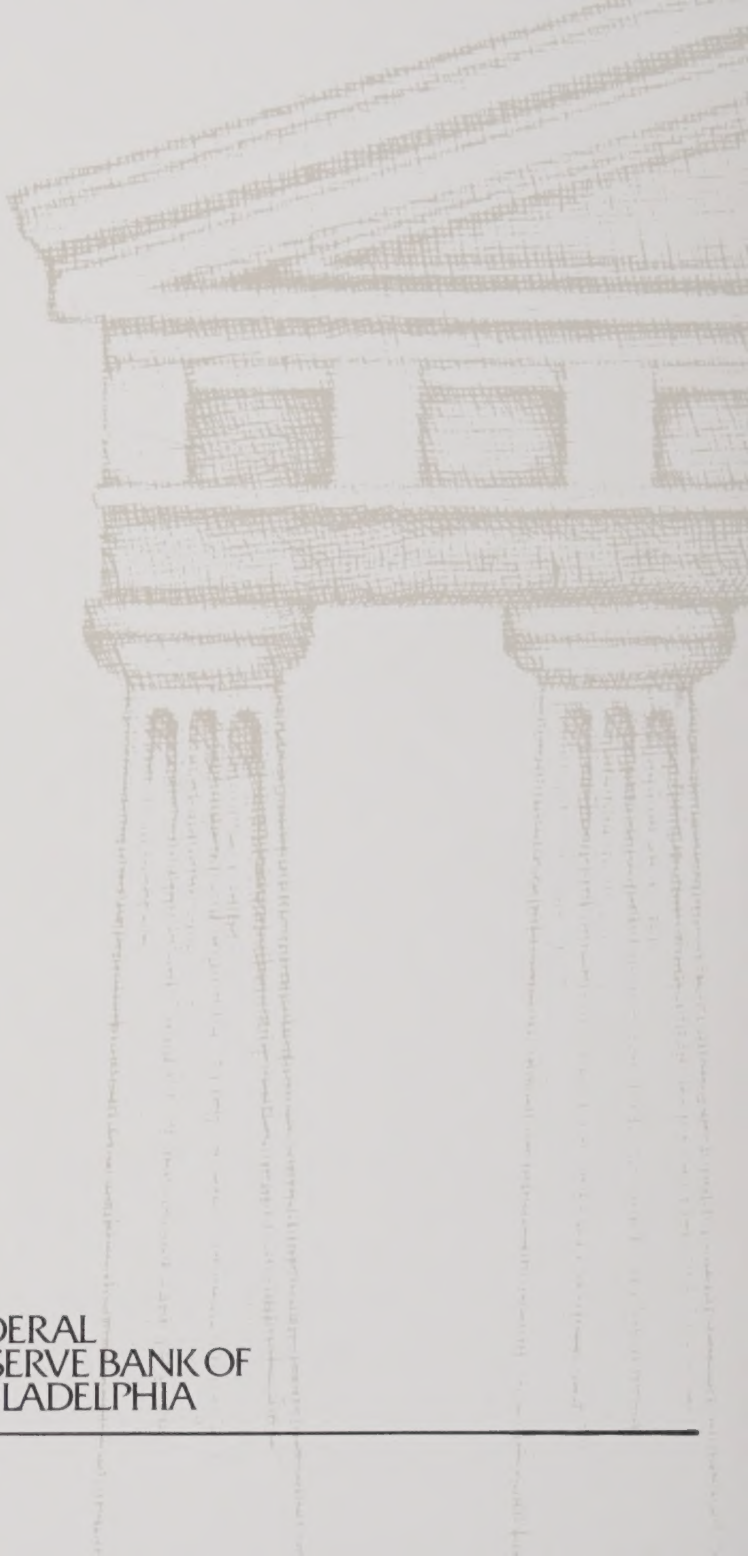
By the 3rd century A.D., even the craftsmanship and design of Roman coins had deteriorated. Finally, all confidence was lost in Roman coinage. Many people in the western Roman Empire now reverted to a system of barter and the primitive weighing of metals which had existed a millennium before.

Jewish silver shekels

The coins pictured in this booklet, as well as many others of the same period, are on display in the Eastburn Court of the Federal Reserve Bank of Philadelphia. They may be seen Monday through Friday, from 9 a.m. to 3 p.m. at the Bank, 100 N. 6th Street, Philadelphia.

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